

**TOWN OF LONE WOLF  
LONE WOLF, OKLAHOMA**

**AGREED UPON PROCEDURES  
AND ACCOMPANYING  
AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2021**



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Members of American  
Institute of Certified  
Public Accountants

Members of Oklahoma  
Society of Certified  
Public Accountants

## **Practitioner's Report on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Board, Town of Lone Wolf  
Lone Wolf, Oklahoma

Trustees of the Lone Wolf Public Works Authority  
Lone Wolf, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have performed the procedures enumerated below as defined within the applicable state laws of the State of Oklahoma solely to assist the Town of Lone Wolf (the "Town") and the Lone Wolf Public Works Authority (the "Authority") in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2021. Management of the Town of Lone Wolf and the Lone Wolf Public Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Lone Wolf and the Lone Wolf Public Works Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

### **Procedures and Findings**

As to the Town of Lone Wolf as of and for the fiscal year ended June 30, 2021:

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** See Exhibit I. No instances of noncompliance noted.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

**Findings:** See Exhibit II. No instances of noncompliance noted.

- III. **Procedures Performed:** Agree the Town's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2021.

- V. **Procedures Performed:** Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- VII. **Procedures Performed:** Compare the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** No such compliance requirements were identified that were applicable to the City.

As to the Lone Wolf Public Works Authority, as of and for the year ended June 30, 2021:

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures and changes in fund balance-cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** See Exhibit III. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree the Authority's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** No unusual reconciling items were noted that did not clear on a timely basis.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2021.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- V. **Procedures Performed:** Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

We were engaged by The Town of Lone Wolf and the Lone Wolf Public Works Authority to perform this agree-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The Town of Lone Wolf and the Lone Wolf Public Works Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than those specified parties.



**rsmeacham**  
CPAs • ADVISORS

Clinton, Oklahoma  
April 21, 2022

**rsmeacham**  
CPAs • ADVISORS

**TOWN OF LONE WOLF, OKLAHOMA**  
**SUMMARY OF CHANGES IN FUND BALANCES - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Beginning of Year Fund Balance</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
<b>TOWN OF LONE WOLF, OK</b>			
General Fund	\$ 83,756	55,611	\$ 139,367
<b>ENTERPRISE FUNDS</b>			
Public Works Authority	<b>a</b> 179,916	(4,288)	175,628
Public Works Authority - Meter Deposits	<b>a</b> 1,526	-	1,526
<b>TOTAL</b>	<u>\$ 265,198</u>	<u>\$ 51,323</u>	<u>\$ 316,521</u>

**a** Includes prior period restatement for conversions to modified cash basis

**TOWN OF LONE WOLF, OKLAHOMA**  
**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts Original	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$ 72,000	\$ 83,756	\$ 11,756
<b>Resources (Inflows):</b>			
Sales	47,000	48,219	1,219
Use	20,000	22,283	2,283
Franchise	8,701	8,983	282
Other Taxes	16,100	16,249	149
Other Revenue	31,053	45,923	14,870
<b>Total current year resources</b>	<u>122,854</u>	<u>141,657</u>	<u>18,803</u>
<b>Amounts available for appropriation</b>	<u>\$ 194,854</u>	<u>\$ 225,413</u>	<u>\$ 30,559</u>
<b>Charges to Appropriations (Outflows):</b>			
<b>General Government:</b>			
Personal services	16,800	14,648	2,152
Materials and supplies	3,600	5,326	(1,726)
Other charges and services	49,065	46,137	2,928
Capital Outlay	15,515	15,515	-
<b>Total General Government</b>	<u>84,980</u>	<u>81,626</u>	<u>3,354</u>
<b>Street and Alley</b>			
Materials and supplies	2,500	1,320	1,180
Other charges and services	1,000	2,159	(1,159)
<b>Total Street and Alley</b>	<u>3,500</u>	<u>3,479</u>	<u>21</u>
<b>Police Department</b>			
Materials and supplies	500	50	450
Other charges and services	600	550	50
<b>Total Police Department</b>	<u>1,100</u>	<u>600</u>	<u>500</u>
<b>Fire Department</b>			
Personal Services	2,200	1,680	520
Materials and supplies	1,500	1,160	340
Other charges and services	4,500	3,273	1,227
<b>Total Fire Department</b>	<u>8,200</u>	<u>6,113</u>	<u>2,087</u>
<b>Total current year appropriations</b>	<u>97,780</u>	<u>91,818</u>	<u>5,962</u>
<b>Transfers Out (In)</b>	<u>(8,420)</u>	<u>(5,772)</u>	<u>(2,648)</u>
<b>Total charges to appropriations</b>	<u>\$ 89,360</u>	<u>\$ 86,046</u>	<u>\$ 3,314</u>
<b>Change in Fund Balance</b>	<u>33,494</u>	<u>55,611</u>	
<b>Ending Budgetary Fund Balance</b>	<u>\$ 105,494</u>	<u>\$ 139,367</u>	

**LONE WOLF PUBLIC WORKS AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND**  
**BALANCE - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**Operating Net Income:**

Water Revenue	\$ 131,540
Water Expenses	181,683
Water Operating Income	<u>(50,143)</u>

Sewer Revenue	28,643
Sewer Expenses	15,102
Sewer Operating Income	<u>13,541</u>

Trash Revenue	84,110
Trash Expenses	50,062
Sewer Operating Income	<u>34,048</u>

**Total Operating Net Income:** (2,554)

**Non-Operating Net Income:**

Admin Revenue	10,789
Admin Expenses	(113,803)
Quartz Mountain Water Plant Revenue	54,000
Transfers In/Out	47,280

**Total Non-Operating Net Income:** (1,734)

**Total Change in Fund Balance** (4,288)

**Beginning Budgetary Fund Balance** 155,595

**Prior Period Adjustment** 24,321

**Ending Budgetary Fund Balance** \$ 175,628